LEGISLATIVE SERVICES AGENCY OFFICE OF FISCAL AND MANAGEMENT ANALYSIS

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FISCAL IMPACT STATEMENT

LS 6086 NOTE PREPARED: Jan 22, 2004

BILL NUMBER: SB 70 BILL AMENDED:

SUBJECT: Provider Reporting of Discounts and Rebates.

FIRST AUTHOR: Sen. Meeks R BILL STATUS: As Passed Senate

FIRST SPONSOR:

FUNDS AFFECTED: X GENERAL IMPACT: State

DEDICATED
X FEDERAL

<u>Summary of Legislation:</u> This bill repeals a provision requiring a provider to report to the Office of Medicaid Policy and Planning any rebates, discounts, and other price concessions that the provider receives.

Effective Date: Upon passage.

Explanation of State Expenditures: This bill repeals a provision intended to collect information on rebates and discounts that providers may be receiving on goods and services that are supplied to Medicaid recipients. The provision requires quarterly reporting and applies to all Medicaid providers. The bill may result in some administrative savings related to repeal of the requirement to collect the information from all providers. Any savings realized would occur within the existing available resources of the Office of Medicaid Policy and Planning which would be allowed to be redirected to other activities in the Office.

Medicaid is a joint federal-state program. Administrative expenditures are matched by the federal government at 50% federal and 50% state dollars.

Explanation of State Revenues:

Explanation of Local Expenditures:

Explanation of Local Revenues:

<u>State Agencies Affected:</u> Office of Medicaid Policy and Planning, Family and Social Services Administration.

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Local Agencies Affected:

<u>Information Sources:</u> Melanie Bella, Assistant Secretary, Office of Medicaid Policy and Planning.

Fiscal Analyst: Kathy Norris, 317-234-1360.

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